

MOTION BY SUPERVISOR MARK RIDLEY-THOMAS

JUNE 9, 2009

The County of Los Angeles currently faces a challenging fiscal situation due to the decreasing tax revenues tied to the recession and real estate industry. The County has taken numerous steps to protect core services and maintain a balanced budget, such as creation of a “rainy day fund”, matching one-time revenues to one-time expenditures, implementing a hiring freeze and taking curtailments to all departmental budgets.

The County now faces major reductions imposed by the State in its efforts to balance its own budget. As a consequence, the County must take extraordinary measures to reduce operating costs due to these State actions. The County must reach out to its private sector partners for assistance during these difficult times. The County should seek a reduction in contracting costs in exchange for a one-year extension on the contract term for ongoing services and recurring materials and supplies. The Chief Executive Officer should work with the Internal Services Department, County Counsel, Auditor-Controller and other departments as needed to develop this contract savings initiative.

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MOTION

MOLINA	_____
RIDLEY-THOMAS	_____
YAROSLAVSKY	_____
ANTONOVICH	_____
KNABE	_____

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**I THEREFORE MOVE, THAT THE BOARD OF SUPERVISORS:**

1. Direct the Chief Executive Officer, working with Internal Services Departments, County Counsel, Auditor-Controller and other departments as needed, to develop the parameters for a contract cost savings initiative which can be implemented over the next 60 days.
2. Direct the Chief Executive Officer to provide all departments with a "model" letter to send to departmental contractors by early July requesting that contractors reduce their rates by 10 percent for the 2009-10 fiscal year and report back by August 7, 2009 regarding progress on this initiative.
3. Authorize any contract extensions done under this initiative to be done as sole source contracts.
4. Direct the Chief Executive Officer to include any resulting reductions in Supplemental Changes for 2009-10

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